

DEPARTMENT OF SOCIAL SERVICES

744 P Street, Sacramento, CA 95814

16) 323-0285



June 23, 1982

ALL-COUNTY LETTER NO. 82-58

• TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY FISCAL OFFICERS
ALL COUNTY FOOD STAMP PROGRAM COORDINATORS

SUBJECT: FIFTY PERCENT FRAUD COLLECTION INCENTIVE FOR CERTAIN NONFRAUD
COLLECTIONS
REFERENCE:

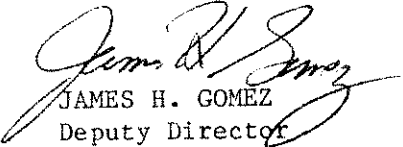
The purpose of this letter is to notify counties that certain nonfraud claim collections are eligible, retroactive to July 1981, for the current 50 percent fraud collection incentive which was discussed in ACL 81-97. The 50 percent incentive for nonfraud claim collections only applies to potential food stamp fraud claims where there has been evidence of fraud and investigative activity by the fraud unit, but the household decides to either repay or negotiates an out-of-court settlement before a court or administrative fraud hearing finding is made. Since the household member has not been found to have committed fraud by a court of appropriate jurisdiction or an administrative fraud hearing, the case should still be considered a nonfraud case subject only to nonfraud regulatory provisions (M.S. 63-801.2, 63-801.3, 63-801.41). For nonfraud claims, a county may not disqualify or impose involuntary allotment reductions. Also, for the purpose of calculating a nonfraud claim, counties may only go back twelve months prior to the date the overissuance was discovered.

Please research your records back to July 1, 1981, identify all nonfraud collections which are eligible for the 50 percent incentive, and record such amounts in the FNS-209 report (Status of Claims Against Households). All nonfraud collections which are eligible for the 50 percent incentive must still be included in Line 5, of the FNS-209 report (Amounts Collected by Check, Cash or Money Order During the Month). However, the amount of collections which are eligible for the 50 percent incentive must be separately identified in the FNS-209 "Remarks" section as "Nonfraud Collections Eligible for Fraud Collection Incentive".

If possible, please begin this new identification with your next FNS-209 report. Otherwise, in order to obtain an incentive for any such collections made since July 1, 1981 during any month where a FNS-209 has been already submitted to this Department, your county must submit an amended report to the:

Department of Social Services
Fiscal Policy and Procedures Bureau
744 P Street, Mail Station 8-100
Sacramento, CA 95814

If you have any questions regarding this letter, please contact Mr. Leighton Lai at (916) 323-0285.



JAMES H. GOMEZ
Deputy Director
Administration

cc: CWDA
Ms. Carol Fahey-FNS/WRO